

## 10. The USA between the wars.

After World War I, the United States adopted a policy of isolationism, choosing not to engage in international affairs. This was accompanied by a rise in intolerance towards immigrants, which resulted in the implementation of a quota system that favored immigrants from Western and Northern Europe, and discriminated against those from Southern or Eastern Europe. This was fueled by the rise of the WASPs (White Anglo-Saxon Protestants) who feared losing power to Jews and Roman Catholics. Also, the Ku Klux Klan gained strength, terrorizing blacks, Jews, and Roman Catholics. **Woodrow Wilson was president during this period, until his defeat in the 1920 election by Warren Harding was elected.** He was succeeded by **Calvin Coolidge** in 1928. Both Harding and Coolidge largely left business unregulated. This era also saw the rise of the cinema industry.

The 1920s saw a **boom in the American economy**, fueled by industrial expansion and the mass production of consumer goods. Industries such as steel, tin, glass, and chemicals grew, and consumer goods like radios, telephones, and cars became more affordable. The government supported this through policies like high tariffs on foreign goods, which protected American industries.

The 18th Amendment led to **Prohibition**, which banned the manufacture and sale of alcohol. This, however, led to the rise of gangsters who took over the illegal alcohol trade.

While many Americans enjoyed the boom, farmers and Black Americans did not benefit greatly. Farmers faced low prices due to overproduction and were hampered by high tariffs that made it difficult to sell their goods internationally. Many Black Americans had low-paying jobs and could not afford consumer goods.

By the late 1920s, the economy began to slow down due to overproduction and the inability to sell goods abroad.

The economic boom ended with the **Wall Street Crash in 1929**, which occurred because of falling profits, people selling shares, and banks going bankrupt. Many people were financially ruined because they had borrowed money to invest in the stock market.

The Wall Street Crash led to the **Great Depression**, which was marked by industrial decline, rising unemployment, and a scarcity of money. The government at the time had no systems in place to support the unemployed. Farmers were severely affected, with many losing their farms due to low prices and mortgage foreclosures. A drought in the West, along with poor farming practices, created the Dust Bowl.

**President Hoover** believed the government should not interfere and that the economy would fix itself.

**Franklin D. Roosevelt's election in 1932 marked a turning point.** He introduced the New Deal, a series of programs to help the poor, revive the economy, and build a better America. Key elements of the New Deal included:

Reopening and investigating banks to restore confidence.

The Agricultural Adjustment Act to regulate farm production and raise prices.

The National Industry Recovery Act to set fair labor conditions.

The Social Security Act to provide pensions and unemployment insurance.

The **New Deal** faced criticism from both sides, with some arguing it didn't do enough and others arguing it did too much. The Supreme Court declared the National Industry Recovery Act unconstitutional.

The New Deal demonstrated that democracy could address serious issues and gave the federal government an important role in looking after the well-being of society.